THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (e) No, Sir, Annual inflation measured in terms of WPI of thirty essential commodities for 2007-08 is indicated in Table-I.

Table 1: Year-on-year composite monthly inflation in 30 essential commodities (%) (April 2007 to March 2008)

Year/Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2007-08	3.3	1.7	0.9	2.8	2.7	1.2	0.6	0.7	1.3	2.7	2.9	5.2

P: Provisional

An upward trend in some of the items of daily use, such as rice, wheat, tur and edible oils has mainly been on account of inadequate domestic availability relative to demand and increase in the international prices. Higher minimum support price may have also contributed to the price rise. In the context of discussions regarding whether and to what extent futures trading has contributed to price rise in agricultural commodities in recent times, the Government has set up an Expert Committee on March 2, 2007 under the Chairmanship of Prof. Abhijit Sen, Member, Planning Commission to study, *inter alia,* the extent of impact, if any, of futures trading on wholesale and retail prices of agricultural commodities. The report is awaited. Futures contract, however, for tur, urad, wheat and rice already stand delisted.

Land blocked due to closure of industries

2364. SHRI MOHAMMED AMIN:
SHRI TAPAN KUMAR SEN:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the number of medium and large scale industries closed or under liquidation during last ten years;

(b) the total land area blocked in such closed/liquidated industries; and

(c) whether Government has any plans to have fast track mechanism to get such lands un-blocked for re-industrialisation purpose including SEZ?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) to (c) As per information available, 18 Central Public Sector Enterprises (CPSEs) registered with Board for Industrial & Financial Reconstruction (BIFR) have been closed/under liquidation during last 10 years. Different agencies that are appointed as liquidators look into aspects relating to land area blocked in such closed/liquidated industries.

Loan outstanding against State Governments

2365. SHRI KAMAL AKHTAR: Will the Minister of FINANCE be pleased to state:

(a) whether some State Governments have incurred outstanding amount of various nationalised banks;

(b) if so, the details of States that have incurred outstanding amount of nationalized banks, as on date, with due date and reasons therefor; and

(c) the steps taken or proposed to be taken by the Central Government to recover the said amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Banks do not lend directly to State Governments. However, they invest in State Government securities and State Government guaranteed bonds issued by the State Government entities, and lend to the public indertakings/corporate bodies/ autonomous entitites, with or without the guarantee of State Governments. Some nationalised banks have reported defaults in payment in principal and/or interest in respect of bonds issued by certain State Government entities/Public Sector Undertakings (PSUs).

(c) Banks have taken steps for recovery of their dues from the defaulting entities of the State Governments in accordance with their recovery policies and RBI guidelines which provide for restructuring of loans, One Time Settlement of dues, filing of cases in Courts/ Debt Recovery Tribunals, etc. Further, RBI, as debt manager of State Government has been taking up issues concerning non-payment of interest and/or principal as also unilateral restructuring of terms and conditions of bonds etc. by State Government entities/PSUs with the concerned State Governments essentially by drawing their attention to the adverse impact of such actions on the credibility of their market borrowing program. Government has also requested all State Government to ensure that Government guaranteed bounds are honoured by their respective undertakings.

Rise in price index

†2366. SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that for continuous rise in the Wholesale Price Index in the country, the role of traders and industrialists costly foreign imports, price rise at international level and shortage of supply of goods have been held responsible by Government from time to time;

(b) if so, whether any other factors are responsible for this rise; and

(c) if so, Government's reaction thereto and the main factors which Governments' considers responsible for rise in price index?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) The inflation measured in terms of Wholesale Price Index for all commodities was 6.4 per cent (provisions) in March, 2008. Rate of inflation since April 2007 to March, 2008 is indicated in the Table 1.

Table 1: Year-on-Year inflation (Average of weeks) of all commodities (%)

Apr- 2007	May-2007	Jun-2007	Jul-2007	Aug-2007	Sep-2007	Oct-2007	Nov-2007	Dec-2007	Jan-2008
6.3	5.5	4.5	4.7	4.1	3.5	3.1	3.3	3.8	4.5

(P): Provisional

Increase in the international prices of crude oil, foodgrains, edible oils and other

† Original notice of the question was received in Hindi.